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9 **UNITED STATES BANKRUPTCY COURT**  
10 **SOUTHERN DISTRICT OF CALIFORNIA**  
11

12 In re:  
13 **BARBARA J. DUNNE,**

Case No. 10-04993-13

14 **DEBTOR.**

**STIPULATION REGARDING DEBTOR'S  
MOTION FOR ORDER TO STRIP LIEN  
OF SECOND TRUST DEED HOLDER**

**DATE: AUGUST 3, 2010  
TIME: 2:00 P.M.  
DEPT. 1 (ONE)**

15 This Stipulation is entered into by and between BARBARA J. DUNNE (hereinafter  
16 referred to as "Debtor"), by and through her attorney of record, Thomas K. Shanner, and  
17 WELLS FARGO BANK, N.A. (hereinafter referred to as "Creditor"), by and through its  
18 attorney of record, Tina M. Pivonka of Mulvaney, Kahan & Barry LLP.

19 **RECITALS**

20 A. Debtor is the maker of a Note in favor of Wells Fargo Bank, N.A. in the original  
21 principal amount of \$123,500.00 ("Note"), which is secured by a Second Deed of Trust  
22 encumbering the real property at 23436 Coso #164, Mission Viejo, CA 92692 (the "Subject  
23 Property"). The Deed of Trust was recorded on March 28, 2005 in the Orange County  
24 Recorder's Office as document number 2005-000228962. The Note and Second Deed of Trust  
25 are collectively referred to hereinafter as the "Subject Loan."

1 B. On March 29, 2010, Debtor filed a voluntary petition under Chapter 13 of the  
2 Bankruptcy Code in the United States Bankruptcy Court for the Southern District of California,  
3 and was assigned Case No. 10-04993-13.

4  
5 C. On May 17, 2010, Debtor filed a motion for Order to Strip Lien of Second Trust Deed  
6 Holder.

7  
8 **THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS:**

9 1. Creditor's claim on the subject loan shall be allowed as a non-priority general  
10 unsecured claim, to be paid in accordance with Debtor's Plan.

11  
12 2. The avoidance of the Creditor's Second Deed of Trust is contingent upon the  
13 Debtor's successful completion of her Chapter 13 Plan and the Debtor's receipt of a Chapter 13  
14 Discharge.

15  
16 3. The Order avoiding the lien may be recorded by the Debtor and filed with the Orane  
17 County Recorder's Office.

18  
19 4. Creditor shall retain its lien for the full amount due under the Subject Loan in the  
20 event of either the dismissal of the Debtor's Chapter 13 case or the conversion of the Debtor's  
21 Chapter 13 case to any other Chapter under the United States Bankruptcy Code.

22  
23 5. In the event that any entity, including the holder of the first lien on the Subject  
24 Property forecloses on its security interest and extinguishes Creditor's Second Deed of Trust  
25 prior to the Debtor's successful completion of her Chapter 13 and receipt of a Chapter 13

1 Discharge, Creditor's lien shall attach to the surplus proceeds of the foreclosure sale for the full  
2 amount of the Subject Loan balance as the time of the sale.

3  
4 6. The subject property is valued at \$300,000.00.

5  
6 7. Each party shall bear their own attorneys' fees and costs incurred by the present  
7 Motion.

8  
9 8. The provisions of this Stipulation shall be stated in the Order granting the Debtor's  
10 Lien Strip/Valuation Motion and

11  
12 IT IS SO STIPULATED:

13  
14 Dated: 7/13/10

By: 

THOMAS K. SHANNER  
Attorney for Debtor,  
Barbara J. Dunne

15  
16  
17 Dated: 6/30/10

By: 

Tina M. Pivonka  
Mulvaney, Kahan & Barry LLP  
Attorneys for Creditor  
Wells Fargo Bank, N.A.